



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION I

5 POST OFFICE SQUARE, SUITE 100
BOSTON, MA 02109-3912

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

JUL - 9 2014

Richard D. Arnold
President, Red Shield Acquisition LLC d/b/a Old Town Fuel & Fiber
24 Portland Street
P.O. Box 564
Old Town, ME 04468

Re: Request for Information Pursuant to Section 308(a) of the Clean Water Act
("CWA"), 33 U.S.C. § 1318(a), Docket No. 14-308-25, regarding the
April 25, 2014 inspection (the "Inspection") of the Red Shield Acquisition LLC d/b/a
Old Town Fuel & Fiber facility in Old Town, Maine and OTFF's June 6, 2014 response

Dear Mr. Arnold:

On April 25, 2014, staff from the U.S. Environmental Protection Agency, Region 1 ("EPA") and staff from the Maine Department of Environmental Protection ("MEDEP") inspected the Red Shield Acquisition LLC d/b/a Old Town Fuel & Fiber ("OTFF") pulp mill located at 24 Portland Street in Old Town, Maine (the "Facility" or "Site"). Following the Inspection, EPA sent OTFF an information request letter dated May 5, 2014 (the "Request"). OTFF submitted a reply to the Request on June 6, 2014 (the "Response"). Upon review, EPA has additional questions regarding OTFF's Response. Section 308(a) of the CWA, 33 U.S.C. § 1318(a), authorizes EPA to require any person to provide information needed to determine whether there has been a violation of the CWA. Accordingly, OTFF is hereby required, pursuant to Section 308(a) of the CWA, 33 U.S.C. § 1318(a), to **respond to the questions in Attachment No. 1 within 30 calendar days of receipt** of this request.

Your response to this Request must also be accompanied by a certificate that is signed and dated by the person who is authorized to respond to the Request. A Statement of Certification, Attachment No. 2, is attached to this letter.

Information submitted pursuant to this Request shall be sent by certified mail, and shall be addressed as follows:

United States Environmental Protection Agency, Region I
5 Post Office Square, Suite 100
Boston, MA 02109-3912

Attention: Alex Rosenberg (OES 04-4)

and

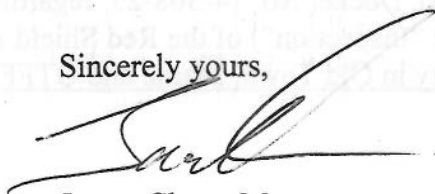
Maine Department of Environmental Protection
106 Hogan Road
Bangor, ME 04401

Attention: Tanya Hovell

Please be advised that noncompliance with the Clean Water Act may subject you to both injunctive relief and penalties. EPA reserves the right to take further enforcement action pursuant to the Clean Water Act, and other applicable laws, including the right to seek penalties for any violations identified at the Facility

If you have technical questions regarding this request, please contact Alex Rosenberg at 617-918-1709. If you have legal questions regarding this request, please have your legal representative contact Laura J. Berry at 617-918-1148.

Sincerely yours,



James Chow, Manager
Technical Enforcement Office
Office of Environmental Stewardship
U.S. EPA Region 1

Cc: Alex Rosenberg, Enforcement Officer, U.S. EPA Region 1
Laura J. Berry, Enforcement Counsel, U.S. EPA Region 1
Joanna B. Tourangeau, Esq.
Angie Rogers, MEDEP, Stormwater Inspector
Tanya Hovell, MEDEP, Wastewater Inspector
Pamela Parker, MEDEP, Enforcement Manager

Attachment No. 1

Respond to the Following Questions

- 1) In response to question 2.b. of the Request, OTFF stated that the Wastewater Treatment Plant (WWTP) shift leader who was on duty during the shift prior to the release of wastewater from the No.2 Primary Clarifier on April 22, 2014 did not drain the spill pond during his shift because the clarifier rakes were already in high torque.
 - a) Since the spill pond was already filled due to similar issues during the day shift, and therefore additional spill pond capacity was not available for the following shift, explain why an alternative mode of spill pond evacuation was not considered or utilized.
 - b) Given the high volume discharge of wastewater to the ground that occurred in April 2014 and the fact that the mill processes run and generate wastewater on a continuous basis and regularly rely on diversions to the spill pond, has OTFF considered whether additional spill pond capacity, other temporary wastewater storage capacity, more frequent removal of solids from the spill pond, and/or better operation and maintenance practices to maximize mill efficiency are necessary? If so, describe the Facility's plans to address these issues. If not, explain why not.
 - c) The Findings of Violation and Order for Compliance on Consent, Docket No. CWA-13-005, issued by EPA to OTFF on consent in February 2013 (the "AOC") requires OTFF to dredge the spill pond within one month (or as soon thereafter as weather permits) of any event resulting in deposition of solids buildup which is equal to or greater than ten (10) percent of the capacity of the emergency spill pond. Explain exactly how the amount of solids buildup is determined, at what frequency, and who makes the determination.
- 2) Item 3 in OTFF's Response indicates that a mechanical engineering evaluation of the cold joint at the base of all three active clarifiers by Foresight Engineering utilized thermal imaging to detect and determine if leaks are present. According to OTFF, the leak discovered by inspectors on April 25, 2014 was located approximately 6 inches below ground surface, at the "cold joint" of the No. 1 Primary clarifier.
 - a) Explain how a thermal imaging camera can be used to investigate whether leaking wastewater is present at a joint located below grade.
 - b) According to OTFF's Response, the thermal imaging camera detects areas where the surface temperature is above "normal levels." What was considered "normal levels" for your investigation of leaks from the clarifier walls? How did you make that determination?
 - c) What expected range of temperatures would indicate that a leak was present at varying depths below ground surface (i.e. 1", 3", or 6")? What temperatures were recorded during the recent investigations for each clarifier?

- d) During the Inspection, OTFF stated that it would most likely have to excavate an area around the base of all the clarifiers in order to determine the scope of the problem. Explain whether excavation occurred, and describe the extent and scope of excavation. If excavation did not occur, explain why not. Explain whether OTFF will inspect the cold joint of the No. 2 primary clarifier for leaks when it is back on-line, the date by which that testing will occur, and report the results to EPA and MEDEP following testing.
- 3) The Wastewater Treatment Plant Operation & Maintenance Manual dated May 2013 (the "2013 O&M Manual"), which was revised, submitted, and approved pursuant to the February 2013 Findings of Violation and Order for Compliance on Consent (the "Order"), states that preventative maintenance and checks are performed daily (preventative maintenance checklists, including but not limited to checklists for the primary and secondary clarifiers, are included in Appendix L). Section 8.1 (Preventative Maintenance) states that "for the mechanical equipment designated as critical, mechanical preventative maintenance and checks are completed in [sic] daily basis by the WTP mechanical maintenance area employee," but OTFF's Response states that these checks "are not documented in this checklist," but rather in a logbook located at the WWTP. OTFF's Response also suggests that the Facility does not document these inspections in writing unless there are results that require follow-up action.
- a) The O&M Manual should reflect how OTFF conducts business at the Facility. Describe if there are, or have been in the past two years, any inspection forms and/or checklists required by the O&M Manual that are not being filled out. If so, explain why;
- b) Confirm whether OTFF has incorporated the new daily clarifier checklist (Appendix D-3 to OTFF's Response) and any other new forms into the O&M Manual;
- c) Confirm that all checklists and forms required by the O&M Manual to be recorded in writing are completed and documentation kept for the length of time required by the MEPDES permit;
- d) Describe the inspection of clarifier valves, including the frequency, procedure, and where in the O&M Manual this process is captured; and
- e) According to Table 7 in the Wastewater Treatment Plant Operation & Maintenance Manual dated May 2014 (the "2014 O&M Manual"), WWTP day shift operators determine the depth of sludge in the primary and secondary clarifiers and sludge cake percentage moisture daily. What methodology is used by the WWTP operator to carry out these duties?
- 4) Item 5 in OTFF's Response did not include any information on what work has been completed on the No. 2 secondary clarifier. EPA understands that internal repairs to the launder of this clarifier were completed prior to the Order. Accordingly, the Order did not require installation of a new liner on this clarifier. However, paragraph III.3 of the Order requires OTFF to complete work to repair the concrete launders of *all* primary and secondary clarifiers (including the No. 2 secondary clarifier), including but not limited to covering all exposed rebar, repairing all areas of launder concrete spawling, and repairing and/or filling all cracks in the launder concrete exterior. Provide an update on the status of repairs to the No. 2 secondary clarifier.

- 5) Provide an updated report on the outcome of epoxy injection into the 36 inch butterfly inlet valve on the No. 1 secondary clarifier, which was scheduled to be completed by June 15, 2015, according to Item 6 in OTFF's Response.
- 6) Item 3 in OTFF's Response describes internal inspections scheduled for completion by Fall 2014.
 - a) By October 31, 2014, provide copies of the results of all internal inspections of clarifiers described in Item 3 of OTFF's Response; and
 - b) Explain the frequency and extent of internal inspections that will be implemented by OTFF in the future, following the inspections scheduled for completion by Fall 2014.
- 7) Provide copies of all daily clarifier checklist forms (Appendix D-3 to OTFF's Response) and any other new forms in the O&M Manual completed from June 1, 2014 to the date of your receipt of this Request.
- 8) From now until November 30, 2014, provide monthly updates on the repair, maintenance, and external inspections of all clarifiers by the close of business on the first Monday of each month. Include with these updates copies of all daily clarifier checklist forms (Appendix D-3 to OTFF's Response) and any other forms required in the O&M Manual from the preceding month.
- 9) Provide copies of the five (5) attachments referenced in The Foresight Engineering repair evaluation attached as Appendix C-2 to OTFF's Response.
- 10) During the 4/25/14 inspection, facility staff explained that they have already considered the need to install extensions on all reject chutes in the chip yard in order to minimize the discharge of wood fines to the road and river's bank. EPA and MEDEP inspectors observed and communicated to OTFF that the reject chutes required BMP installations. Pursuant to Part V.D.9 of the 2011 MEDPES Multi Sector General Permit for Stormwater Discharges Associated with Industrial Activity ("2011 MEMSGP"), OTFF must document in the Stormwater Pollution Prevention Plan (SWPPP) corrective actions to deal with the deposition of fines to the East of the chip yard wall. The SWPPP dated May 30, 2014 fails to include chute extensions on the list of structural BMPs presented in section IV.B. Update the SWPPP and submit the required Corrective Action Report to both EPA and MEDEP within 14 days of receipt of this Request pursuant to Section V.I.3.c of the 2011 MEMSGP. Include a description of temporary BMPs that will be utilized before the chute extensions are fully installed as required by Section V.I.3.f.
- 11) In the response to question 9, OTFF states that if an environmental work order task is not completed in 30 days then an explanation of why this is the case will be made to mill management. According to Section V.B. - Maintenance Process & Tracking - of OTFF's SWPPP dated May 30, 2014, all environmental work orders must be completed within 30 days of being initiated." However, pursuant to Parts V.C.3 and V.I.3.f of the 2011 MEMSGP, if nonstructural BMPs require modification or if additional nonstructural BMPs are necessary, the permittee must initiate changes to the nonstructural BMPs within five (5) business days. Further, if structural BMPs require modification or if additional structural

BMPs are necessary, implementation must be completed before the next anticipated storm event to the extent practicable, but not more than twelve weeks after discovery of the deficiency. OTFF's schedule for responding to environmental work orders as described in Section V.B of its SWPPP does not alter or supersede the requirements in the 2011 MEMSGP. Ensure that all maintenance and corrective actions adhere to the requirements set forth in Parts V.C.3 and V.I.3.f of the 2011 MEMSGP. Section V.B of OTFF's May 2014 SWPPP states that "when an Environmental WO is not completed by the set time frame, an action plan will be created by the area manager where the issue is present and reviewed at the weekly staff meetings for progress." Explain how OTFF will document these "action plans" and submit copies of all "action plans" generated since May 1, 2014.

- 12) Pan Am is still listed as responsible for some BMP inspections and maintenance on the Comprehensive Site Evaluation form (Appendix H of SWPPP dated 5/30/14). Explain what progress has been made in establishing an agreement with Pan Am regarding frequency of inspections, maintenance and/or access rights.
- 13) Item 7.b.x of OTFF's Response stated that EPA had misinterpreted references made regarding two different storm sewer catch basins. At the exit interview for the April 25, 2014 inspection, EPA suggested that OTFF create unique identifiers for all stormwater conveyance inlets and outlets, stormwater BMPs, and sections of river bank in order to better facilitate the communication and identification of issues and their corrective actions. Explain if OTFF plans to initiate this type of nomenclature and if not, why.
- 14) Item 10 of OTFF's Response states that the Spill Prevention Control and Countermeasures (SPCC) plan punchlist item dated 7/14/11, "to repair broken containment curb in oil unloading station near riley boiler," was not completed because no fuel has been unloaded at this station since 2009 and "the maintenance planners for the area viewed this as a low priority job and it has never been elevated to the implementation stage." Regardless of whether the unloading station is in use, oil regulations require secondary containment for any tank that is not "permanently closed" as defined by 40 C.F.R. § 112.2. Provide the date on which the repairs to the tanks' secondary containment were completed.

Attachment No. 2 - Statement of Certification for Red Shield Acquisition LLC

(To be returned with Response to Information Request)

I declare under penalty of perjury that I am authorized to respond on behalf of Red Shield Acquisition LLC I certify that the foregoing responses and information submitted were prepared under my direction or supervision and that I have personal knowledge of all matters set forth in the responses and the accompanying information. I certify that the responses are true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment.

By

(Signature)

(Print Name)

(Title)

(Date)

